

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

MOTION OF UNITED PARCEL SERVICE
FOR EXTENSION OF TIME TO SEEK
PRODUCTION OF PMPC CONTRACT

(September 8, 1997)

Pursuant to Presiding Officer's Ruling No. R97-1/12, United Parcel Service ("UPS") hereby moves for an indefinite extension of the time for it to file a motion to compel the United States Postal Service ("Postal Service") to produce a more complete version of the PMPC contract between the Postal Service and Emery Worldwide Airlines, originally requested in interrogatories UPS/USPS-T33-1(c) and T33-2(a)-(c). Counsel for the Postal Service has stated that the Postal Service has no objection to this extension of time requested by UPS.

In Presiding Officer's Ruling No. R97-1/12, the Presiding Officer established today, September 8, as the deadline for UPS to review the redacted PMPC contract and to file a motion to compel production of additional information contained therein. The redacted contract was filed on Thursday, August 28. However, due to the Labor Day holiday, counsel for UPS did not receive a copy of the redacted contract

until Tuesday, September 2, and its consultants did not receive a copy until September 3.

First, UPS wishes to clarify what it is seeking and what it is not seeking in the interrogatories. UPS is not seeking "facility-specific information such as anticipated volume flows between origin and destination PMPCs." Opposition of United States Postal Service to UPS Motion to Compel Production of Information and Materials Requested in Interrogatories UPS/USPS-T33-1(c) and 2(a)-(c) to Witness Sharkey (August 22, 1997), at 2 ("Postal Service Opposition"). Nor is UPS interested in "Emery's internal air transportation and other costs, its overhead and profit rate, and Emery's proprietary methods of pricing, billing and responding to government solicitations." Postal Service Opposition at 3. To the extent such information is "not pertinent to the charges paid by the Postal Service," Postal Service Opposition at 4, UPS has no interest in seeing it. Rather, our interest is confined to the "charges paid by the Postal Service" under the contract in the test year. Id. In short, UPS is interested in those provisions of the contract which would permit it to determine the Priority Mail costs that the Postal Service will incur in the test year and the volumes associated with those costs.

Unfortunately, such information has been redacted from the contract filed with the Commission.¹ However, based on the Postal Service's Opposition, UPS

1. It appears that the contract contains estimated volumes by accounting period for periods including the test year, as well as the prices to be paid by the Postal Service to its contractor for handling those volumes. The contract also
(continued...)

believes that there is a reasonable likelihood that it will be able to obtain the information it seeks through narrowly tailored interrogatories made possible by our having access to the redacted contract, and through further consultations with Postal Service counsel. Pending the Postal Service's responses to those interrogatories and our discussions with Postal Service counsel, UPS wishes to reserve its right to seek production of a more complete version of the PMPC contract, should that subsequently appear to be appropriate.

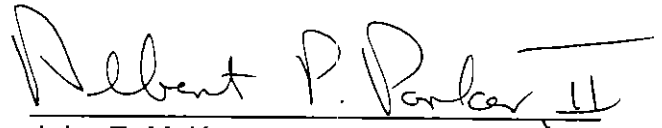
UPS therefore submits that an extension of the deadline for seeking such production might allow the parties to at least narrow and focus the controversy, and may perhaps avoid altogether the need for a ruling. Given the current posture of the situation, a ruling may be premature until it is certain that there is a dispute, and what the exact scope of that dispute is.

WHEREFORE, United Parcel Service respectfully requests that the deadline established by Presiding Officer's Ruling No. R97-1/12 for United Parcel

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1. (...continued)
apparently contains prices to be paid by the Postal Service if volume exceeds the estimated volume underlying the basic "contract price." Such information is highly relevant to a determination of the attributable costs for Priority Mail in the test year.

Service to file a motion to compel production of the PMPC contract or additional information contained therein be extended indefinitely.

Respectfully submitted,

A handwritten signature in black ink, reading "Albert P. Parker, II". The signature is written in a cursive style with a horizontal line extending from the end.


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Of Counsel.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in
accordance with section 12 of the Commission's Rules of Practice.


Albert P. Parker, II

Dated: September 8, 1997
Philadelphia, Pa.